



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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November 13, 1992

Mr. Gary Jacobsen  
San Rafael Energy Incorporated  
P. O. Box 805  
Moab, Utah 84532

Dear Mr. Jacobsen:

Re: Request to Reduce Large Mine Status to Small Mine Status for the Snow and Four Corners Mines, M/015/013 and M/015/014, Emery County, Utah

This letter is in response to your September 21, 1992 letter, requesting the Division to revisit the question of allowing small mine status for the two sites mentioned above.

The Division's position addressing the question of converting a Large Mine site to a Small Mine site is attached. The position is that a Large Mine Operation can only be converted to a Small Mine Operation, if it was initially permitted at less than 5 acres (prior to the 1986 change to the state's Mining Statute). The Snow and the Four Corners mines were permitted as sites with disturbances exceeding 5 acres. Before the surety can be released, on these sites, they must be entirely reclaimed (including shafts, buildings, roads, pads, etc.).

The current surety on the Snow is \$9,000 and the Four Corners \$7,000. These amounts are based on the costs of revegetation and facilities reclamation. The majority of revegetation has been completed; however, the facilities remain. You may be able to reduce the bond amounts by submitting new surety estimates based on what remains to be reclaimed at these sites.

Please contact me directly if you have further questions on the position established above. If you wish to recalculate the surety, please discuss with Wayne Hedberg.

Sincerely,

Lowell P. Braxton  
Associate Director, Mining

Enclosure

## MANAGEMENT POSITION

### Conversion of a Large Mining Operation to a Small Mining Operation

1. The possibility of reclaiming a portion of the large mine site, to thus qualify the operation as a small mine and obtain release of the surety, is not a viable option.

It is the Division's position that the statutory change which created the five (5) acre Small Mining category, was not intended to provide a mechanism to make large mines into small mines. Only those mines which were previously exempted (pursuant to the 2 acre-500 ton/12 month provision), or were permitted and bonded between 2 - 5 acres of total disturbance, could refile as a Small Mining Operation and seek release of reclamation surety.

A mine that has been permitted and bonded with a surface disturbance in excess of 5 acres, is a large mine. The release of surety is conditioned on the complete reclamation of the disturbance associated with a large mining operation. Consequently, we cannot consider releasing the reclamation surety without complete mine site reclamation and a demonstration that all conditions for full surety release have been met.

2. An alternative means to obtain a surety release, is to transfer the mine permit to another operator, who is willing to assume full reclamation and surety responsibilities for the mine site.

jb

convert